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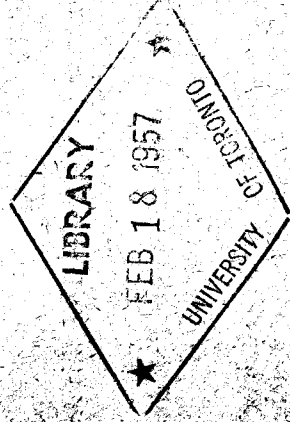
First Session, Twenty-Second Parliament, 5-6 Elizabeth II, 1957.

THE SENATE OF CANADA

BILL P¹.

An Act to incorporate Alaska-Yukon Pipelines Ltd.

PASSED BY THE SENATE, 17th FEBRUARY, 1957.



EDMOND CLOUTIER, C.M.G., O.A., D.P.
GOVERNMENT PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1957

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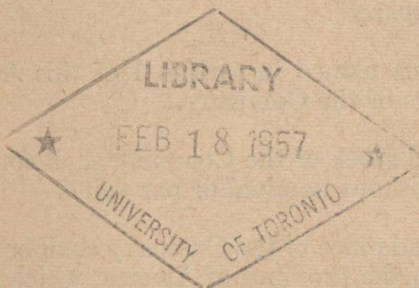
Fifth Session, Twenty-Second Parliament, 5-6 Elizabeth II, 1957.

THE SENATE OF CANADA

BILL P¹.

An Act to incorporate Alaska-Yukon Pipelines Ltd.

AS PASSED BY THE SENATE, 12th FEBRUARY, 1957.



EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1957

THE SENATE OF CANADA

BILL P¹.

An Act to incorporate Alaska-Yukon Pipelines Ltd.

Preamble.

WHEREAS the persons hereinafter named have by their petition prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows: 5

Incorporation.

1. Joseph Theodore Sparling, executive, Eric Milwyn Duggan, investment dealer, and Colin Francis MacKinnon, accountant, all of the city of Edmonton, in the province of Alberta, Harold Alexander Fuller, professional engineer, of the city of Calgary, in the said province, and John Charles Rogers, investment dealer, of the city of Montreal, in the province of Quebec, together with such persons as may become shareholders in the company, are incorporated under the name of Alaska-Yukon Pipelines Ltd., hereinafter called "the Company". 10

Provisional directors.

2. The persons named in section 1 of this Act shall be the first directors of the Company.

Capital stock.

3. The capital stock of the Company shall consist of one million shares without nominal or par value. 20

Head office and other offices.

4. (1) The head office of the Company shall be at the city of Edmonton, in the province of Alberta, which head office shall be the domicile of the Company in Canada; and the Company may establish such other offices and agencies elsewhere within or without Canada as it deems expedient. 25
(2) The Company may, by by-law, change the place within Canada where the head office of the Company is to be situate.

(3) No by-law for the said purpose shall be valid or acted upon until it is sanctioned by at least two-thirds of the votes cast at a special general meeting of the shareholders duly 30

called for considering the by-law and a copy of the by-law certified under the seal of the Company has been filed with the Secretary of State and published in the *Canada Gazette*.

Pipe lines
legislation
to apply.

R.S., c. 211.

5. The Company shall have all the powers, privileges and immunities conferred by, and be subject to all the limitations, liabilities and provisions of the *Pipe Lines Act*, and any other general legislation relating to pipe lines enacted by Parliament with respect to the transmission and transportation of gas and oil and other liquid and gaseous hydrocarbons. 5 10

Power to
construct and
operate pipe
lines.

6. The Company, subject to the provisions of any general legislation relating to pipe lines for the transmission and transportation of gas and oil and other liquid and gaseous hydrocarbons which is enacted by Parliament, may (a) within Canada in the Yukon Territory, the North- 15 west Territories and in the provinces of Alberta and British Columbia, and outside Canada construct, purchase, lease or otherwise acquire and hold, develop, operate, maintain, control, lease, mortgage, hypothecate, create liens or other security upon, 20 sell, convey, or otherwise dispose of and turn to account any and all interprovincial and/or international pipe lines and all appurtenances relative thereto for gathering, transmitting, transporting, storing and delivering of natural and artificial gas and oil or any liquid or 25 gaseous hydrocarbons, including pumping stations, terminals, storage tanks or reservoirs and all works relative thereto for use in connection with the said pipe lines: Provided that the main pipe line or lines for the transmission and transportation of gas and oil 30 shall be located entirely within Canada; and buy, or otherwise acquire, transmit, transport and sell, or otherwise dispose of and distribute natural and artificial gas and oil and any liquid or gaseous hydrocarbons; and own, lease, sell, operate and maintain aircraft and 35 aerodromes for the purpose of its undertaking, together with the facilities required for the operation of such aircraft and aerodromes; and own, lease, operate and maintain interstation telephone, teletype and telegraph communication systems, and, subject to the *Radio Act*, 40 and any other statute relating to radio, own, lease, operate and maintain interstation radio communication facilities;

Proviso.

R.S., c. 233.

Power to hold
land.

(b) purchase, hold, lease, sell, improve, exchange or otherwise deal in any property, real or personal, moveable or 45 immoveable, or any interest and rights therein legal or equitable or otherwise howsoever and deal with any portion of the lands and property so acquired, and may subdivide the same into building lots and generally lay

the same out into lots, streets and building sites for residential purposes or otherwise and may construct streets thereon and necessary sewerage and drainage systems and build upon the same for residential purposes or otherwise and supply any buildings so erected, or other buildings erected upon such lands, with electric light, heat, gas, water or other requisites, and lease or sell the same, upon such terms and subject to such conditions as appear requisite, either to its employees or to others; and 10

Ancillary powers.

- (c) exercise as ancillary and incidental to the purposes or objects set forth in this Act, the powers following, unless such powers or any of them are expressly excluded by this Act, namely, the powers set forth in paragraphs (a) to (bb) inclusive of subsection 1 of section 14 of the *Companies Act*. 15

R.S., c. 53.

Sections of the *Companies Act* to apply.

Proviso.

7. The provisions of subsections (7), (8), (9) and (10) of Section 12 and Sections 35, 36, 39, 40, 59, 62, 63, 64, 65, 84, 91 and 94 of Part I of the *Companies Act* apply to the Company: Provided that wherever in said subsection (10) of Section 12 and in the said Sections 35 and 59 the words "Letters Patent or Supplementary Letters Patent" appear, the words "Special Act" shall be substituted therefor. 20

Sections of the *Companies Act* not to apply.

8. Sections 153, 162, 167, 172, 184, 190, 193 and 194 of Part III of the *Companies Act* shall not be incorporated with this Act. 25

The Company not to make a loan to shareholders or directors.

9. (1) The Company shall not make any loan to any of its shareholders or directors or give whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase made or to be made by any person of any shares in the capital stock of the Company: Provided that nothing in this section shall be taken to prohibit 30

Proviso.

- (a) the making by the Company of loans to persons, other than directors, bona fide in the employment of the Company with a view to enabling or assisting those persons to purchase or erect dwelling houses for their own occupation; and the Company may take, from such employees, mortgages or other securities for the repayment of such loans; 40
- (b) the provision by the Company, in accordance with any scheme for the time being in force, of money for the purchase by trustees of fully paid shares in the capital stock of the Company, to be held by, or for the benefit of, employees of the Company, including any director holding a salaried employment or office in the Company; 45
- or

(c) the making by the Company of loans to persons, other than directors, bona fide in the employment of the Company, with a view to enabling those persons to purchase fully paid shares in the capital stock of the Company, to be held by themselves by way of beneficial ownership. 5

(2) The powers under paragraphs (b) and (c) of subsection (1) of this section shall be exercised by by-law only.

Proviso.

(3) If any loan is made by the Company in violation of the foregoing provisions, all directors and officers of the Company making the same or assenting thereto, shall, until repayment of said loan, be jointly and severally liable to the Company and to its creditors for the debts of the Company then existing or thereafter contracted: Provided that such liability shall be limited to the amount of said loan with interest. 15

When redemption or purchase not a reduction of paid-up capital.

10. The redemption or purchase for cancellation of any fully paid preferred shares created by by-law pursuant to the provisions of this Act, in accordance with any right of redemption or purchase for cancellation reserved in favour of the Company in the provisions attaching to such preferred shares, or the redemption or purchase for cancellation of any fully paid shares of any class, not being common or ordinary shares, and in respect of which the by-laws provide for such right of redemption or purchase, in accordance with the provisions of such by-laws, shall not be deemed to be a reduction of the paid-up capital of the Company, if such redemption or purchase for cancellation is made out of the proceeds of an issue of shares made for the purpose of such redemption or purchase for cancellation, or if, 20 25 30

(a) no cumulative dividends, on the preferred shares or shares of the class in respect of which such right of redemption or purchase exists and which are so redeemed or purchased for cancellation, are in arrears; and 35

(b) if such redemption or purchase for cancellation of such fully paid shares is made without impairment of the Company's capital by payments out of the ascertained net profits of the Company which have been set aside by the directors for the purposes of such redemption or of such purchase for cancellation, and if such net profits are then available for such application as liquid assets of the Company, as shown by the last balance sheet of the Company, certified by the Company's auditors, and being made up to a date not more than ninety days prior to such redemption or purchase for cancellation, and after giving effect to such redemption or purchase for cancellation; 40 45

and subject as aforesaid, any such shares may be redeemed or purchased for cancellation by the Company on such terms and in such manner as is set forth in the provisions attaching to such shares, and the surplus resulting from such redemption or purchase for cancellation shall be designated as a capital surplus, which shall not be reduced or distributed by the Company except as provided by a subsequent Act of the Parliament of Canada. 5

Commission
on
subscription.

11. The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares, bonds, debentures, debenture stock or other securities of the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares, bonds, debentures, debenture stock or other securities of the 10 15

Proviso.

Company: Provided, however, that as regards shares, such commission shall not exceed ten per cent of the amount realized therefrom.